

BALLOON PROMISSORY NOTE

\$360,000.00

Charlottesville, Virginia

March 31, 2014

FOR VALUE RECEIVED, the undersigned hereby promises and binds herself, her successors and assigns, to pay to the order of Scott and Caroline McDonald (the "Holder"), at 4666 McKinney Ct. Park City UT 84098 or at such other place as the Holder may designate in writing, the principal sum of THREE HUNDRED SIXTY THOUSAND AND NO/100 DOLLARS (\$360,000.00), together with interest annually at the rate of 5.00% from the date of this note until paid in full (the "Loan").

The entire outstanding balance of the Loan, including outstanding principal, interest and other charges, shall be due and payable on Aug. 30, 2015, which date is exactly thirteen months from the date hereof (the "Maturity Date"). Beginning August 1, 2014, the undersigned shall make consecutive monthly payments of all accrued interest on the Loan and one final payment of any and all outstanding principal, interest and other charges on the Maturity Date. All payments shall be applied first to accrued interest and other charges under the Loan, and then to principal due.

If the Holder has not received the full amount of any payment due within fifteen (15) days after the date any such payment is due (other than the Maturity Date), a late payment charge in the amount of four percent (4%) of the overdue payment shall be assessed by the Holder.

Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof.

IN ADDITION TO THE WAIVERS SET FORTH IN ANY OTHER DOCUMENT SECURING AND/OR EVIDENCING THE LOAN, BORROWER WAIVES PRESENTMENT FOR PAYMENT, DEMAND, DISHONOR AND, EXCEPT AS EXPRESSLY SET FORTH IN THE DEED OF TRUST (HEREINAFTER DEFINED), NOTICE OF ANY OF THE FOREGOING. BORROWER FURTHER WAIVES ANY PROTEST, LACK OF DILIGENCE OR DELAY IN COLLECTION OF THE LOAN OR ENFORCEMENT OF THE DEED OF TRUST. BORROWER FURTHER WAIVES THE BENEFIT OF THE HOMESTEAD EXEMPTION FOR THE LOAN.

Payment of this note is secured by a first lien deed of trust of even date given by the maker to Collison F. Royer, Trustee (the "Deed of Trust"), conveying certain real property located in the County of Albemarle, Virginia, and more commonly known as 1121 West Leigh Drive, Charlottesville, Virginia 22901 (the "Property").

In the event of default in the payment of any amount due under this note, which default remains uncured i) for 15 days after the due date; or ii) upon the sale, transfer or other disposition of the Property, the entire unpaid balance and all accrued interest and other charges shall immediately become due and payable, without notice, at the election of the holder hereof.



Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

The undersigned agrees that if this note is placed in the hands of an attorney for collection, court costs, collection expenses and reasonable attorney's fees shall also be payable.

As additional consideration for the Loan, the undersigned hereby indemnifies and holds harmless the Holder from and against any and all third party claims which may arise from or in connection with the undersigned's ownership of the Property, including any claims against Holder by any Property tenants.

Any notice to the maker shall be given by personal delivery or by mailing such notice by certified mail addressed to the maker at 112 53rd St., Vero Beach, FL 34951, or to such other address as the maker may subsequently designate by written notice to the Holder. Any notice to the Holder shall be given by personal delivery or by mailing such notice by certified mail addressed to the Holder at the address stated above, or to such other address as the Holder may subsequently designate by written notice to the maker.

WITNESS the following signature:



JULIE PETERS